

## **Health and Human Services Transformation Project (HTP) LTC Stakeholder Council Minutes**

**Date:** November 21, 2008

**Attendees:** Commissioner Toumpas, DHHS  
MaryAnn Cooney, DHHS  
Katie Dunn, DHHS  
Nancy Rollins, DHHS  
Jose Montero, DHHS  
Valerie Hamilton, DHHS  
Gordon Allen, NH CARES  
Roberta Berner, NH Coalition of Aging Services  
Thomas Blonski, NH Catholic Charities  
Richard Cohen, Disabilities Right Center  
Carol Currier, PeoplePC  
Ellen Edgerly, Brain Injury Association of NH  
Katja Fox, Office of the Governor  
Roy Gerstenberger, CSNI  
Donna Guillemette, NH Adult Day Services Association  
William Hamilton, AARP  
Arlene Kershaw, Senior Services  
Betsy Miller, NH Association of Counties  
Rick Peterson, NH Home Care Association  
John Poirier, NHHealth Care Association  
Carol Stamatakis, Council on Developmental Disabilities

### **Topics Discussed**

Commissioner Toumpas (CNT) opened the meeting by reviewing the agenda for the meeting. Discussion for meeting to include two areas:

- Budget Discussion
- DHHS response to the budget situation

Commissioner Toumpas gave an overview of the fiscal committee meeting that took place in the morning with the Governor presenting his budget cuts to fiscal. The Governor took action to address a portion of the budget shortfall but there still is a gap of \$75M, which will need to be addressed between now and June 30, 2009. These are cuts that cannot be done by the legislature. He stated that the department is making another list to include items, which require legislative action. He stated that when the department was asked to come up with \$31M he involved all of the program directors. In addition, he was asked to close the gap of a \$20M structural deficit. He stated that they went in front of the fiscal committee and reduced outpatient rates. This now leaves a \$9M structural deficit by the end of the year. The Commissioner stated that they are making projections but it is questionable whether they will meet the projections because they are not sure where the economy is going.

## Open for Questions

One of the participants at the meeting had details of the SY09 budget reductions that he received at the fiscal committee meeting. Copies were made for the meeting participants.

*John Poirier (JP)*: Some of the details are still too general to figure out the impact.

*Commissioner Toumpas (CNT)*: We will put more details on eStudio next week.

*Roberta Berner (RB)*: Could you clarify line 76?

*CNT*: Rates reductions will be effective on 12/1/08. Rates will go down by 2% but will go back up 2% on 1/09.

*Katie Dunn (KD)*: The hospital rates will be decreased by 10%.

*Barbara Salvatore (BS)*: Why is the State's Medical Director contract being cut?

*CNT*: We restructured this and now have a clinical council with clinical representation and the group provides council.

*William Hamilton (WH)*: What about the Citizens Health Initiative?

*CNT*: We are going through UNH and reducing the contract.

*Carolyn Virtue (CV)*: Commissioner, Did you cut Service Link?

*CNT*: No.

*CV*: How come?

*KD*: We were given guidelines that we needed to look at which included certain things. We evaluated every single program and staff. We cut those things that had the least human impact. Service Link is being used as a tool in the community and we did not have a replacement to fill the need.

*Mike Lehrman (ML)*: The MEAD program does not seem effective.

*Nacny Rollins (NR)*: We have looked at the MEAD program and worked with providers to evaluate it.

*CNT*: Some of these things can be looked at in the transformation. These are the decisions we made. The point of us getting together is to work through this with your input. We are talking about a \$250M shortfall. But we needed to make reductions and we stand by them. There is no group that was excluded.

*JP*: There are some items that are 25% general fund. I look at the list and feel there are other areas that need to be worked out. The Front Door Access project is a virtual front door. The goal of looking at the virtual front door is to eliminate some of the infrastructure. I see there are program cuts and provider cuts but it doesn't seem to balance.

*NR*: We are looking for a broader transformation but what is on the list is what we could do in seven months with the task we had to complete.

*JP*: The other question is more global. There is a strong belief that there may be an economic stimulus package out there between 5-8%.

*CNT*: We did address this at fiscal. There are about four proposals floating around out there with different levels of detail. This is not a done deal. We heard potentially 8% over a 15-month period, \$120M. We have a \$250M problem. But we don't even know if this stimulus package is going to happen. And if it does, how much will it be? It is a fair discussion for SFY '10'11.

KD: Even if this comes through, we still need to transform healthcare.

CNT: People can't just look at their own needs. We have to be able to bridge the gap.

KD: In many discussions the one thing we noted was that this transformation project is important. We didn't want to make reductions to force the transformation. So these cuts were made keeping this in mind.

Arlene Kershaw (AK): I want to focus on what was said about focusing on our specific needs. We must be able to put aside our individual needs because it won't help us. I will be behind it 100%. Home Health may not be affected, but Adult Day will.

KD: This morning we focused on hospitals, but we also acknowledged that this is impacting all of healthcare. This was a very sobering and gut wrenching experience.

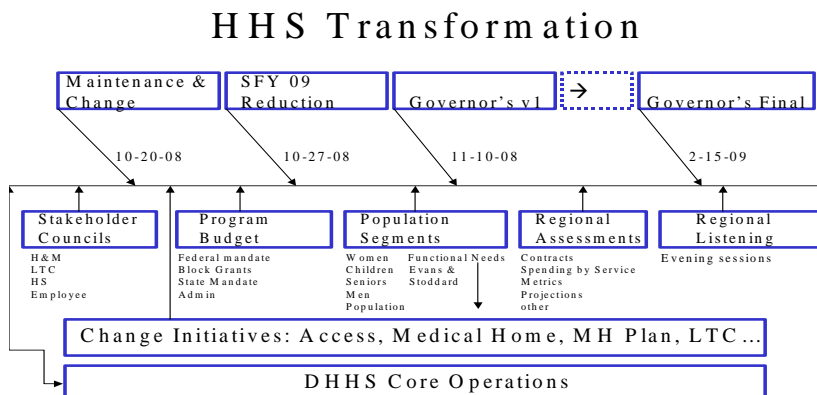
Gordon Allen (GA): Safety Net providers may not be able to cost shift like some of the other providers.

CNT: If we look at this problem as trying to sustain all the providers in the state, then this won't work. We must look at the situation differently. We need a thoughtful examination of this. We know we will make some people upset. The points you make are valid. But you can't make a transformation in 30 days because we are going to put people at risk. We are having this conversation with you to look at this so that we can make changes over the next biennium. We had a line item out there that we couldn't implement. We want to go through and make long-term changes. I will defend the reduction decisions that we have made.

## Budget Discussion

The Commissioner explained the need to prepare for the Governor's v1 budget but wanted to highlight the chasm between what was submitted by DHHS and what the Governor's budget guidelines entail. He stated that what they have done is assign a task to the financial team to recast the budget request looking at federal mandates and block grants (Program Budget in diagram below).

CNT referred to the PowerPoint slide discussing DHHS core operations and change initiatives. This is a zero based budget scenario. Looking at the minimum that we need and then making some decisions from there.



CNT stated that it was time to look at things differently. Looking at the population segments (Population Segment block in the diagram above) and cutting across the segments in a more cohesive way. He gave an example from the segment that includes pregnant women and children and discussed working with sister departments to address the needs of this segment from all aspects. Due to budget shortfalls, something different needed to be done. The purpose of these stakeholder groups is for the Department to be open and transparent and to get feedback and ideas.

The fourth part in the diagram above is entitled Regional Assessments. CNT explained that his staff went through the Governor and Council agenda items and created a spreadsheet with different categories such as division, contractor, location, dollar amount, services, funding method, etc. Each item was reviewed and is being tracked. He also stated that the Medicaid system and other systems are being reviewed to see what has been spent at the town level. He stated that the department is looking at metrics and projections and looking at the public health model for a framework. Once this is all analyzed it will be brought out at the regional level.

CNT discussed the maintenance budget for SFY10 and SFY11. He stated this is general fund money and that overall the maintenance budget reflects a 12% increase for SFY09 to SFY10 and another 5% increase from SFY10 to SFY11. The maintenance budget has been broken down by the three segments, which include Human Services, Long Term Care and Health and Medical. There is a large increase in the Health and Medical for SFY10 up 16.5% and social services up 7.5%. The total number of \$806M was requested for SFY10. The SFY09 maintenance budget was \$720M, net adjusted to \$713M. 97% of this is \$691M for the maintenance budget in SFY10. If you subtract \$806M -\$691M your total is \$118M. This is a deficit. When we look at SFY10 and SFY11, we are talking about a \$250M shortfall.

### **Open Discussion**

*ML:* Are you looking at other models across the country?

*CNT:* We are not only looking at other healthcare models but also other industries that may have similar problems. We must look at this from the standpoint of priorities. It is our hope that we can have some type of discussion at the local level in the three areas of Human Services, LTC and Health and Medical.

*AK:* Are you cutting across the population segments through all segments of government?

*CNT:* The Commissioners are meeting on a monthly basis. I have been meeting with Corrections. We can look at the county jails and see overlaps and holes.

*AK:* A lot of the interaction in the community is not in the medical arena. I hope you will look at other areas.

*CNT:* Fiscal committee didn't understand this but Katie did a tutorial to get them to understand. One thing we are doing internally is a program called "Fresh Ideas". We have received over 200 suggestions internally from employees. We are hoping to do the same thing for you on eStudio.

*BS:* A number of contracts go to individuals. The Department has also had a number of contracts where you get a certain amount of money that you divide. Will you make sure that the rural communities get enough money to run programs?

*CNT:* This is not cast in stone. This is a framework. We want your input.

*Roy Gerstenberger (RG):* Can you say some more about the regional assessments?

*CNT:* The regional assessment is a snapshot as to what happened in SFY08. If we like it we will work with a pilot and put in more resources.

*GA:* I applaud this. It is important to get our Representatives and Senators to understand what services we do have available. So much is hidden. We have about 14,000 Medicaid recipients in Manchester. Our infrastructure is so important but hidden. Not like our roads and bridges. This is a great start.

*KD:* We have mapped every single Medicaid recipient to an eligibility category. So that when we are talking about who will be covered and won't be covered, we know.

*GA:* In terms of the discussion to Legislators, they need to know the categories of people we serve.

*CNT:* We believe this is the way to go. I want to hear your thoughts because we are going to do a pilot. Andrew is coming up with a model to work on this.

*AK:* Is this only covering Medicaid?

*CNT:* No, This is for everyone.

*AK:* Is long-term care involved in this?

*CNT:* If we have the data we can do it.

*JP:* You will probably have to focus on Medicaid because that is where you are going to get the data.

*GA:* We have powerful data.

*A member of the group stated:* One of the things we are seeing is there are unintentional consequences with rules and regulations. I am not sure where in this plan this will be addressed.

*MC:* One critical element is to make sure that you have a full spectrum of providers.

*CNT:* This is something we will continue to work with. We are trying to come up with a framework. If the group thinks it makes sense, we will come back to this.

*ML:* I think we need the three groups to be together in the same room.

*CNT:* It won't happen because there are too many people. I also want to talk to clients to get their perspective.

*CNT:* What I hear Mike saying is that other providers need to be at the table.

*JP:* How many regional listening sessions will there be?

*CNT:* What is a region? I have asked the people working with the data to look at it from the town level.

*JP:* Do we have the ability to change those regions?

*CNT:* I envision the database to display the visuals so that the GIS person is involved with the others at the table.

*RB:* It seems to me that we are in a time that more people are feeling vulnerable, including legislators. So not only putting the data out there but to break down the barriers is important. It could be any one of us.

*CNT:* I do not think that having 15 regional sessions is what we plan to do. But bringing it back to the local level and having them sustain it is the goal. Some communities are already doing this.

*BS:* DHHS talks about prevention but treats it like a Cinderella. I would like to see transformation include prevention. I was excited to see the Public Health Model.

MAC: I like to hear talk about prevention. It is important to establish a set of values that includes all of us.

JP: Well this process seems decent but to get to the end with the idea of transformation, its not how the department provides services, but also what services the department provides.

CNT: Yes, this is one question that needs to be addressed. There are a number of segments that need to be funded. I don't have all the answers but we are engaged in the discussion to get insights and ideas to develop pilot.

*A member of the group stated:* I thought the transformation was to better service our population despite our budget problem. So we need to ask the value type questions and have goals. I look at the state as our leader and then if it is clear and articulate, then we will have the clear vision of values despite the budget.

The Human Service group needs to have a vision and it is not clear to me where that is in the process.

*Another member of the council stated:* I like the Fresh Ideas concept. Not just for the stakeholders but also for the recipients.

CNT: We are looking into this. Internally we have set up a mailbox and put all of the suggestions in a database.

*A member of the group stated:* The Obama transition team has a place on their website for this purpose. The website is [www.change.gov](http://www.change.gov).

GA: One way to think of it is that there are different levels of changes. And things could be put in different buckets depending on where they fit in with the timeline.

CNT: We will continue our budget discussion at the next meeting as well as work on the population segment of the transformation timeline.

The Commissioner thanked everyone for attending. Meeting was adjourned at 4PM.